

DOTS for P.M.  
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# DECISION



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D. C. 20548

**FILE:**

B-217936

**DATE:**

June 24, 1985

**MATTER OF:**

Gary M. Bria - Real Estate Expenses -  
Title Requirements

**DIGEST:**

A transferred employee who held title to a residence at his former duty station with his nondependent parents, held title with individuals who were not members of his immediate family and, therefore, may be reimbursed for real estate expenses only in direct proportion to the extent of his interest in the residence at the time of settlement.

Mr. Gary M. Bria, an employee with the Federal Aviation Administration (FAA), has appealed Settlement Z-2854573, January 14, 1985, of our Claims Group denying his claim for reimbursement of real estate expenses associated with the sale of his residence at his former duty station. The FAA reimbursed Mr. Bria for only one-half of the expenses he claimed because he held title to his former residence as a co-owner with his nondependent parents. Mr. Bria contends that he should be reimbursed for the total amount of expenses because his parents' names were placed on the title solely to enable him to obtain a mortgage loan. For the reasons explained below, we affirm the determination by the FAA and our Claims Group.

Mr. Bria was transferred from Boise, Idaho, to Medford, Oregon, in August 1983. He had purchased the home he sold in connection with the transfer prior to his appointment with the FAA, at a time when he was a substitute teacher. He states that his mortgage company did not consider a substitute teacher to be a good risk and required someone to cosign the loan with him. Mr. Bria contends that his parents cosigned the loan only so that he could obtain the financing and had no intention of becoming co-owners of the property. They have signed a statement to this effect, which is included in the record.

One of the prerequisites for reimbursement of real estate expenses, found in 5 U.S.C. § 5724a(a)(4) (1984) and its implementing regulations, paragraph 2-6.1c of the Federal Travel Regulations, FPMR 101-7 (September 1981)

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incorp. by ref., 41 C.F.R. § 101-7.003 (1983) (FTR), is that title to the residence must be in the name of the employee alone, or in the joint names of the employee and one or more members of his immediate family, or solely in the name of one or more members of his immediate family. An employee's parents are considered to be members of his immediate family only if they are dependent upon the employee for financial support. (See FTR paragraph 2-1.4d).

We have consistently held that where the employee holds title to a residence with an individual who is not a member of his immediate family, the employee may be reimbursed only to the extent of his interest in that residence. James C. Bowers, B-195652, April 1, 1980; James A. Woods, B-184478, May 13, 1976; B-167962, November 7, 1969. In the Woods decision, we so held even though the employee, who held title to the residence with his brother, contended that his brother's name appeared on the title only to enable him to obtain financing. And in the Bowers case, where an employee sold a residence held in his, his wife's and his parents' names and bought a residence which was similarly held, we allowed reimbursement of only 50 percent of the real estate expenses, even though the employee stated that the parents' names were on the respective titles so that he could obtain a mortgage. In both Woods and Bowers the employees alleged that they had paid all the expenses associated with the residences and that the individuals with whom they held title had no financial interest in those residences.

We have been informed by the agency that Mr. Bria's parents are nondependents. Therefore, he holds title with individuals who were not members of his immediate family. Since he did not meet the title requirements for full reimbursement he was properly reimbursed only in direct proportion to the extent of his interest in the property at the time of settlement. His claim for additional reimbursement may not be allowed.

*Wilton J. Fowler*  
for Comptroller General  
of the United States